

**CONFIDENTIAL** 

Form 3160-3 (July 1992)

UNITED STATES
DEPARTMENT OF THE INTERIOR

SUBMIT IN TRIPLICATE\*

FORM APPROVED

OMB NO. 1040-0136 Expires: February 28, 1995

DEPARTMENT OF THE INTERIOR	5. LEASE DESIGNATION AND SERIAL NO.							
BUREAU OF LAND MANAGEMENT	UTU-16551							
APPLICATION FOR PERMIT TO DRILL O	6. IF INDIAN, ALLOTTEE							
	N/							
TYPE OF WORK	7. UNIT AGREEMENT NAM JOHNSON BOTTON							
	DRILL 🗹 DEEPEN 🗆							
TYPE OF WELL	П	8. FARM OR LEASE NAME	E, WELL NO.					
☑ □ □ SINGLE ☑ MULTIPLI	E							
OIL WELL GAS WELL OTHER ZONE ZONE		JB 12G-	27-7-21					
2. NAME OF OPERATOR Contact: Jan Ne	elson	9.API NUMBER;						
QUESTAR EXPLORATION & PRODUCTION , CO. E-Mail	: jan.nelson@questar.com	43.047.	48614					
3. ADDRESS Telphone number	ər	10. FIELD AND POOL, OR	WILDCAT					
11002 E. 17500 SO. Vernal, Ut 84078 Phone 435-	781-4331 Fax 435-781-4395	UNDESIG	SNATED					
4. LOCATION OF WELL (Report location clearly and in accordance with a	and State requirements*)	11. SEC.,T, R, M, OR BLK	& SURVEY OR AREA					
At Surface 1859' FSL 859' FWL NWSW, SECTION	27, T1S, R21E							
At proposed production zone 1800' FNL 1300' FEL SENE,	SECTION 33, T7S, R21E	SEC. 27, T7S, R	21E Mer SLB&M					
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*		12. COUNTY OR PARISH	13. STATE					
36 + / - MILES SOUTH OF VERNAL, UTAH		Uintah	UT					
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST	16.NO.OF ACRES IN LEASE	17. NO. OF ACRES ASSIG	NED TO THIS WELL					
PROPERTY OR LEASE LINE, FT.		'						
(also to nearest drig,unit line if any)	2320	4	0					
859' + / -								
18.DISTANCE FROM PROPOSED location to nearest well, drilling,	19. PROPOSED DEPTH	20. BLM/BIA Bond No. on	file					
completed, applied for, on this lease, ft	6,396' TVD	ESB000024						
	10,600' MD							
21. ELEVATIONS (Show whether DF, RT, GR, ect.)	22. DATE WORK WILL START	23. Estimated duration						
5020.3' GR	3/1/2010	45 Days						
24. Attachments								
The following, completed in accordance with the requirments of Onshore	,							
Well plat certified by a registered surveyor.     A Drilling Plan	4. Bond to cover the operations unless	s covered by an exisiting bond or	n file (see					
3. A surface Use Plan ( if location is on National Forest System Lands,	Item 20 above).							
the SUPO shall be filed with the appropriate Forest Service Office).	5. Operator certification.							
and do it is a straight spiritual of the	6. Such other site specific information	and/or plans as may be required	by the					
	authorized officer.							
SIGNED Name (printed/ty	rped) Jan Nelson	DATE (	09-15-2009					
TITLE Permit Agent								
(This spec for Federal or State office use)			1 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1					
PERMIT NO. 43-047-40614 APPROV	/AL DATE							
Application approval does not warrant or certify the applicant holds any legal or equitable title to those rights in the subject	lease which would entitle the applicant to conduct operations of the second sec	ons thereon						
CONDITIONS OF APPROVAL, IF ANY:	NEV C LIII							
BRADLEY G. HILL TITLE ENVIRONMENTAL MANAGER  DATE 11-05-09								
	f 03	DATE	11-05-09					
*See Inst	tructions On Reverse Side							
Type 18 U.S.C Section 1001, makes it a crime for any United States any false, fictitious or fraudulent	person knowingly and willfully to make to any depar	tment or agency of the RECEN	/FD					
United States any false, fictitious or fraudulent	statements or representations as to any mater withi	n its jurisdiction	V LLU					

623680X 4448500Y 40.179669 -109.547321

BHL 623052 X 4447368 Y 40.169563 -109.554915

Federal Approval of this Action is Necessary

SEP 2 4 2009

DIV. OF OIL, GAS & MINING

#### T7S, R21E, S.L.B.&M. 1950 Brass Cap 1.2' High, Pile S8875'W - 2695.44' (G.L.O.) of Stones, Steel S88 17'01"W - 2695.47' (Meas.) 1953 Brass Cap 1.1' High. Pile of Stones 2652.24 VOO"24'19"W THE PROPOSED BOTTOM HOLE FOR THIS WELL N01.06 IS LOCATED IN THE SE 1/4 NE 1/4 OF SECTION 33, T7S, R21E, S.L.B.&M. AT A DISTANCE OF 1800' FNL 1300' FEL. IT BEARS S30"07'47"W 4247.21' FROM THE PROPOSED WELL HEAD. 1950 Brass Cap 1.3' High, Pile of Stones 1953 Brass Cap 1.4' High, Pile of Stones JB #12G-27-7-21 859' 02, Elev. Ungraded Ground = 5020' Ġ 2655. M., 80, 1953 Brass Cap 1953 Brass Cap 1950 Brass Cap 0.2' High, Pile 1.2' High, Pile 1.0' High, Pile of Stones of Stones of Stones S88'59'51"W - 2652.92' (Meas.) N89°00'21"E - 2654.36' (Meas.) LEGEND: (NAD 83) LATITUDE = 40'''0'46.47" (40.179575) = 90° SYMBOL LONGITUDE = 109'32'52.70" (109.547972) (NAD 27) = PROPOSED WELL HEAD. LATITUDE = 40'10'46.60'' (40.179611) LONGITUDE = 109'32'50.21" (109.547281) = SECTION CORNERS LOCATED.

#### QUESTAR EXPLR. & PROD.

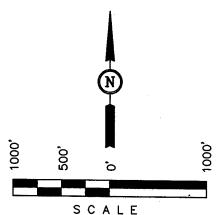
Well location, (SURFACE LOCATION) JB #12G-27-7-21; located as shown in the NW 1/4 SW 1/4 of Section 27, T7S, R21E, S.L.B.&M., Uintah County, Utah

#### BASIS OF ELEVATION

BENCH MARK (20 EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M., TAKEN FROM THE OURAY SE. QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

#### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



#### CERTIFICATE

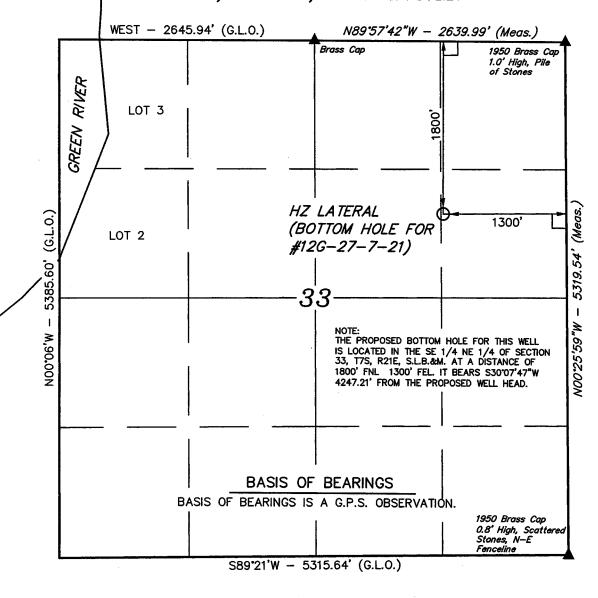
THIS IS TO CERTIFY THAT THE ABOVE PLANTING THE CHARLES THE CHARLES SUPERVISION AND THAT THE SAME AND CONTROL OF THE CHARLES THE AND CONTROL OF THE CHARLES THE THE BEST OF MY KNOWLEDGE AND BI

#### UINTAH ENGINEERING 85 SOUTH 200 EAST VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 10	000,		DATE SURVEYED: 10-09-08	DATE DRAWN: 10-27-08			
J.W.	A.G.	S.L.	REFERENCES G.L.O. PLA	REFERENCES G.L.O. PLAT			
WEATHER			FILE				
COLD	) —		QUESTAR EXP	LR, & PROD.			

## T7S, R21E, S.L.B.&M.



#### LEGEND:

\_\_ = 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 40"10" (40.169489) LONGITUDE = 109"33" (20.13" (109.555592)

(NAD 27)

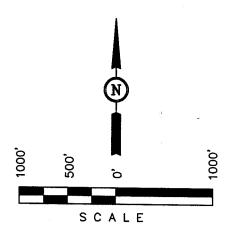
LATITUDE = 40°10'10.29" (40.169525) LONGITUDE = 109°33'17.64" (109.554900)

#### QUESTAR EXPLR. & PROD.

Well location, (BOTTOM HOLE for JB #12G-27-7-21) HZ LATERAL, located as shown in the SE 1/4 NE 1/4 of Section 33, T7S, R21E, S.L.B.&M., Uintah County, Utah

#### BASIS OF ELEVATION

BENCH MARK (20 EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M., TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



#### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE FULL BEFARED FROM FIELD NOTES OF ACTUAL SURVEYS CALLED TO THE SUPERVISION AND THAT THE SACE FRUE AND SOIGHT TO THE BEST OF MY KNOWLEDGE AND SECOND THE SACE FRUE AND SOIGHT TO THE

RECUSTERED EART SURVEYOR RECUSTRATION NO. 161219

# UINTAH ENGINEERING & LANGUSURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

	00) 100 1011	· .
SCALE 1" = 1000'	DATE SURVEYED: 10-09-08	DATE DRAWN: 10-27-08
PARTY J.W. A.G. S.L.	REFERENCES G.L.O. PLA	Т
WEATHER COLD	FILE QUESTAR EXPL	_R. & PROD.

### QUESTAR EXPLORATION AND PRODUCTION

## JB 12G-27-7-21 New Horizontal Well Summarized Procedure

- 1. MIRU air rig.
- 2. Drill 12  $\frac{1}{4}$ " surface hole to 480' $\pm$ .
- 3. Run 9 5/8", 36#, J-55, STC casing and cement to surface.
- 4. RD air rig, move off location.
- 5. MIRU drilling rig.
- 6. NU rig's 3,000 WP rated BOP. Test BOP's and surface casing.
- 7. PU straight hole BHA, drill out surface casing and 10' of new formation, run FIT.
- 8. Drill 8 3/4" hole to 6,100'.
- 9. TOOH, PU directional BHA, TIH.
- 10. Drill to 6,160', kick off and drill well at a 211° azimuth with 16°/100' build rates to land in G1 Lime formation at a TVD of +/- 6,517', 6,733' MD.
- 11. Drill in zone to 6,753' MD. TOOH, LDDP.
- 12. PU and run 7", 26#, HCP-110, LTC casing to 6,753', cement casing.
- 13. PU 4" DP, directional BHA, TIH.
- 14. Drill +/- 3,847' of lateral in G1 Lime.
  - a. Mud system to be a water based mud, weights are expected to be in the 8.8 10.0 ppg range.
- 15. Circulate and condition hole, TOOH.
  - a. PU 3,847' of 4-1/2" slotted and blank liner, 80' of blank liner and liner dropping tool.
  - b. RIH w/ liner and dropping tool, drop liner at 6,683'.
  - c. Trip out of hole, LDDP.
- 16. RU wireline, run GR to 6,160', run RBP, set @ 5,000'.
- 17. ND BOP's.
- 18. RDMOL.

#### **DRILLING PROGRAM**

# ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil & Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

#### 1. Formation Tops

The estimated top of important geologic markers are as follows:

<b>Formation</b>	Depth, TVD	Depth, MD
Green River	3,300'	3,300'
Kick Off Point	6,160'	6,160'
Green River (H4a Lime)	6,517'	6,733'
TD	6,396'	10,600'

#### 2. Anticipated Depths of Oil, Gas, Water, and Other Mineral Bearing Zones

The estimated depths at which the top an bottom of the anticipated water, oil, gas, or other mineral bearing formations are expected to be encountered as follows:

Substance	<u>Formation</u>	Depth, TVD	Depth, MD
Oil/Gas	Green River (G1 Lime)	6.396' - 6.517'	6.733' - 10.600'

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right A36125 (which was filed on May 7, 1964) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

#### 3. Operator's Specification for Pressure Control Equipment

- A. 3,000 psi double gate, 3,000 psi annular (schematic attached)
- B. Function test daily.
- C. All casing strings shall be pressure tested (0.22 psi/ft or 1,500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield of the casing.
- D. Ram type preventers and associated equipment shall be tested to rated working pressure if isolated by a test plug or to 50% of the internal yield pressure of casing, whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil & Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

#### 4. <u>Casing Program</u>

Hole Size	Casing Size	Top, MD	Bottom, MD	Mud Weight	Weight, lb/ft	Grade	Thread	Condition
17 ½ "	14"	sfc	40'	N/A	Steel	Cond.	None	Used
12 1/4"	9 5/8"	sfc	450'	N/A	36.0	J-55	STC	New
8 3/4"	7"	sfc	6,753'	9.2	26.0	HCP-110	LTC	New

	Casing S	trengths:		Collapse	Burst	Tensile (minimum)	
9 5/8"	36.0 lb.	J-55	STC	2,020 psi	3,520 psi	394,000 lb.	
7"	26.0 lb.	HCP-110	LTC	7,800 psi	9,950 psi	830,000 lb.	

The lateral portion of the wellbore will be cased with slotted liners.

	Hole Size	Casing Size	Top,MD	Bottom, MD	Weight	Grade
-	6 1/8"	4 1/2"	6,673'	10,600'	11.6	P-110

Please refer to the wellbore diagram and re-entry procedure for further details.

#### **MINIMUM DESIGN FACTORS:**

COLLAPSE: 1.125 BURST: 1.10 TENSION: 1.80

**Area Fracture Gradient:** 

0.6 psi/foot

Maximum anticipated mud weight: 9.2 ppg

Maximum surface treating pressure: 4,000 psi

#### 5. Cementing Program

#### 14" Conductor:

Cement to surface with construction cement.

#### 9-5/8" Surface Casing: sfc – 480' (MD)

Lead/Tail Slurry: 0' - 480'. 170 sks (310 cu ft) Rockies LT cement + 0.25 lb/sk Kwik Seal + 0.125 lb/sk Poly-E-Flake. Slurry wt: 13.5 ppg, Slurry yield: 1.81 ft<sup>3</sup>/sk, Slurry volume: 12-1/4" hole + 100% excess.

#### 7" Intermediate Casing: 3,000' – 6,753' (MD)

Lead/Tail Slurry: 3,000' - 6,753'. 682 sks (850 cu ft) Premium + 0.3% Halad (R)-344 fluid loss + 0.2% Super CBL Expander + 0.2% HR-5 Retarder + 0.2% CFR-3 Dispersant + 0.125 lb/sk Poly-E-Flake. Slurry wt: 14.35 ppg, Slurry yield: 1.24 ft<sup>3</sup>/sk, 50% excess.

#### 4-1/2" Slotted & Blank Liner: 6,673' – 10,600' (MD)

No cement, dropped in open hole.

#### 6. **Auxilliary Equipment**

- A. Kelly Cock - Yes
- В. Float at the bit – No
- C. Monitoring equipment on the mud system – visually and/or PVT or Flow Show
- D. Fully opening safety valve on the rig floor – Yes
- E., Rotating Head – Yes
- F. Request for Variance

Drilling surface hole with air:

A variance from 43 CFR 3160 Onshore Oil and Gas Order #2, Section III Requirements, subsection E. Special Drilling Operations is requested for the specific operation of drilling and setting surface casing on the subject well with a truck mounted air rig. The variance from the following requirements

of Order #2 is requested because surface casing depth for this well is 450 feet and high pressures are not expected.

- 1. **Properly lubricated and maintained rotating head** A diverter system in place of a rotating head. The diverter system forces the air and cutting returns to the reserve pit and is used to drill the surface casing.
- 2. Blooie line discharge 100 feet from wellbore and securely anchored the blooie line discharge for this operation will be located 50 to 70 feet from the wellhead. This reduced length is necessary due to the smaller location size to minimize surface disturbance.
- 3. Automatic igniter or continuous pilot light on blooie line a diffuser will be used rather than an automatic pilot/igniter. Water is injected into the compressed air and eliminates the need for a pilot light and the need for dust suppression equipment.
- 4. Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the wellbore compressors located within 50 feet on the opposite side of the wellbore from the blooie line and is equipped with a 1) emergency kill switch on the driller's console, 2) pressure relief valves on the compressors, 3) spark arrestors on the motors.
- G. All other operations and equipment for air/gas drilling shall meet specifications in Onshore Order #2, Section III Requirements, subsection E. Special Drilling Operations and Onshore Order #1.

Drilling of the lateral will be done with fresh water NaCl based mud systems consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash, polymers, and NaCl. No chromates will be used. Maximum anticipated mud weight is 9.2 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

#### 7. Testing, Logging, and Coring Program

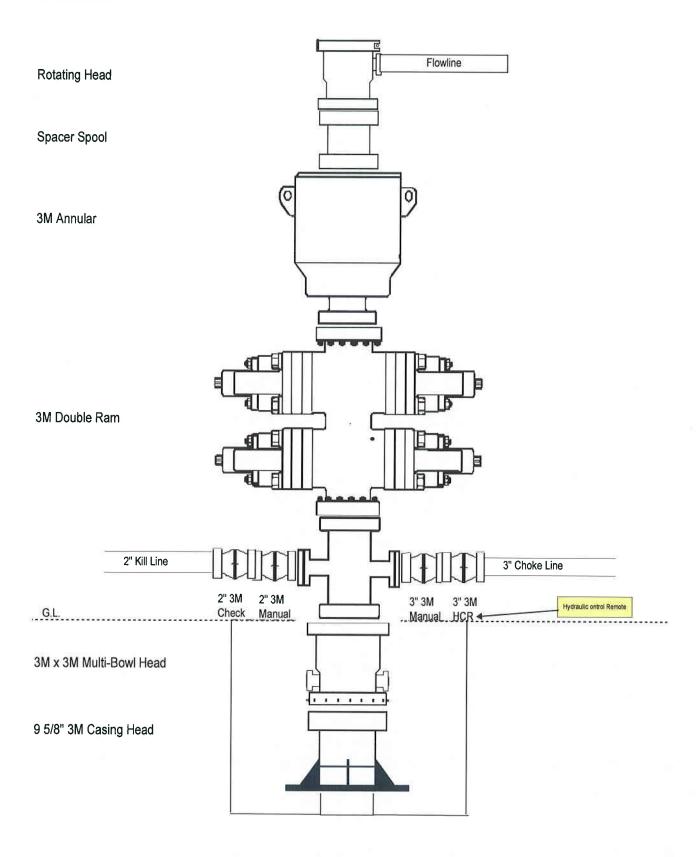
- A. Cores None Anticipated
- B. DST None Anticipated
- C. Logging:
  - i. Mud logging from 5,000' to TD
  - ii. MWD-GR will be utilized during drilling operations to aid in landing the curve and maintaining the laterals within the desired zone.

D. Formation and completion interval: G1 Lime interval, final determination of completion will be made by analysis of mud logging data. Stimulation: stimulation will be designed for the particular area of interest encountered.

#### 8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

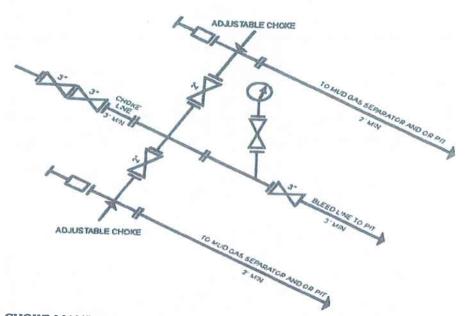
No abnormal temperatures or pressures are anticipated. No  $H_2S$  has been encountered or is known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom-hole pressure equals approximately 2,700 psi. Maximum anticipated bottom hole temperature is approximately  $150^{\circ}F$ .

#### 3M BOP STACK



Page 6 of 7

3M CHOKE MANIFOLD



3M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY [54 FR 39528, Sept. 27, 1989]

# JB 12G-27-7-21 Directional Plan CJL 4-7-2009 Proposal

Report Date: April 7, 2009

Client:

Field: Uinta

Structure / Slot: Johnson Bottom / JB 12G-27-7-21

Well: JB 12G-27-7-21
Borehole: Original Hole

UWI/API#:

Survey Name / Date: JB 12G-27-7-21 Directional Plan CJL 4-7-2009 / April 7, 2009

Tort / AHD / DDI / ERD ratio: 91.800° / 4234.21 ft / 5.801 / 0.650

Grid Coordinate System: NAD83 Utah State Planes, Central Zone, US Feet

Location Lat/Long: N 40 10 46.470, W 109 32 52.700 Location Grid N/E Y/X: N 7240086.661 ftUS, E 2185778.732 ftUS

Grid Convergence Angle: +1.25042721°
Grid Scale Factor: 0.99991686

Survey / DLS Computation Method: Minimum Curvature / Lubinski

Vertical Section Azimuth: 210.000°

Vertical Section Origin: N 0.000 ft, E 0.000 ft

TVD Reference Datum: KB

TVD Reference Elevation: 5036.0 ft relative to MSL
Sea Bed / Ground Level Elevation: 4760.000 ft relative to MSL

Magnetic Declination: 11.388°

Total Field Strength: 52665.002 nT

Magnetic Dip: 66.071°

Declination Date: April 07, 2009 Magnetic Declination Model: IGRF 2005

North Reference: Grid North
Total Corr Mag North -> Grid North: +10.138°
Local Coordinates Referenced To: Well Head

Comments	Measured Depth	Inclination	Azimuth	TVD	Vertical Section	NS	EW	Closure	Closure Azimuth	DLS	Tool Face
	(ft)	( deg )	(deg)	(ft)	(ft)	(ft)	(ft)	(ft)	(deg)	(deg/100 ft)	(deg)
Tie-In	0.00	0.00	211.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-149.00M
KOP	6160.00	0.00	211.00	6160.00	0.00	0.00	0.00	0.00	0.00	0.00	-149.00M
	6200.00	6.42	211.00	6199.92	2.24	-1.92	-1.15	2.24	211.00	16.04	0.00G
	6300.00	22.46	211.00	6296.44	27.08	-23.22	-13.95	27.09	211.00	16.04	0.00G
	6400.00	38.50	211.00	6382.34	77.63	-66.55	-39.99	77.64	211.00	16.04	0.00G
	6500.00	54.54	211.00	6450.93	149.95	-128.55	-77.24	149.97	211.00	16.04	0.00G
	6600.00	70.58	211.00	6496.86	238.39	-204.37	-122.80	238.43	211.00	16.04	0.00G
	6700.00	86.62	211.00	6516.56	336.09	-288.13	-173.12	336.14	211.00	16.04	0.00G
Enter H4a Lime /											
Intermediate Casing Point	6732.27	91.80	211.00	6517.00	368.34	-315.78	-189.74	368.40	211.00	16.04	0.00G
TD	10600.00	91.80	211.00	6395.51	4233.57	-3629.43	-2180.78	4234.21	211.00	0.00	0.00G

Survey Type: Non-Def Proposal

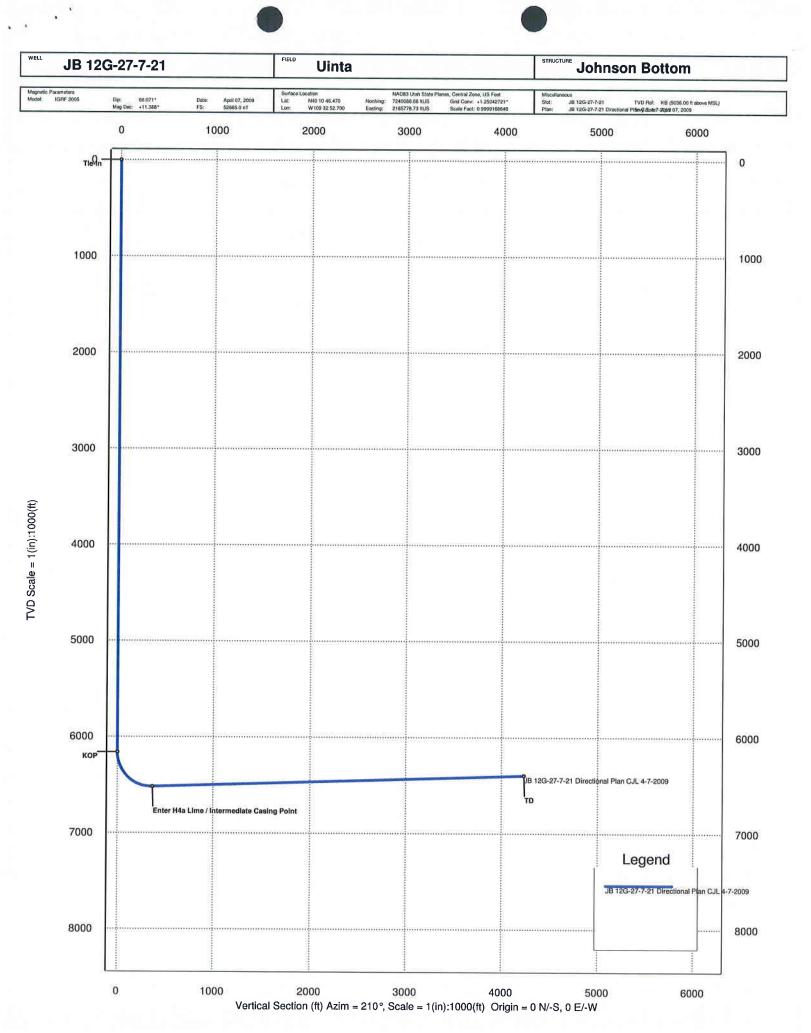
Survey Error Model: NONE version \*\*\* 3-D 95.00% Confidence 2.7955 sigma

**Surveying Prog:** 

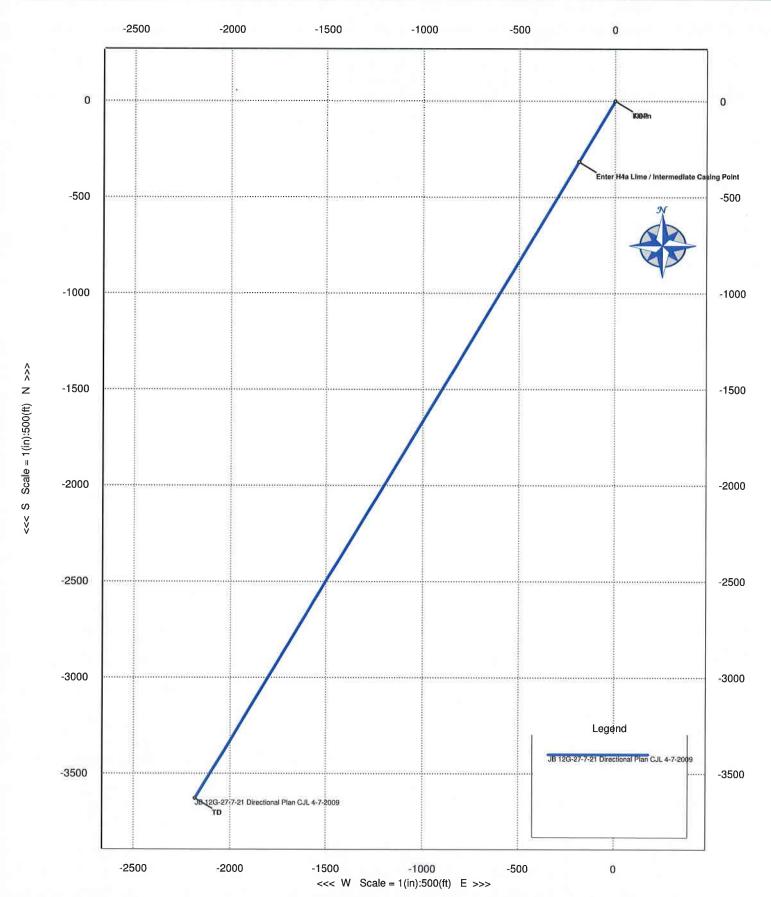
MD From (ft) 0.00 MD To (ft) EOU Freq Survey Tool Type
10600.00 1/100.00 NULL\_ZERO (default tool used)

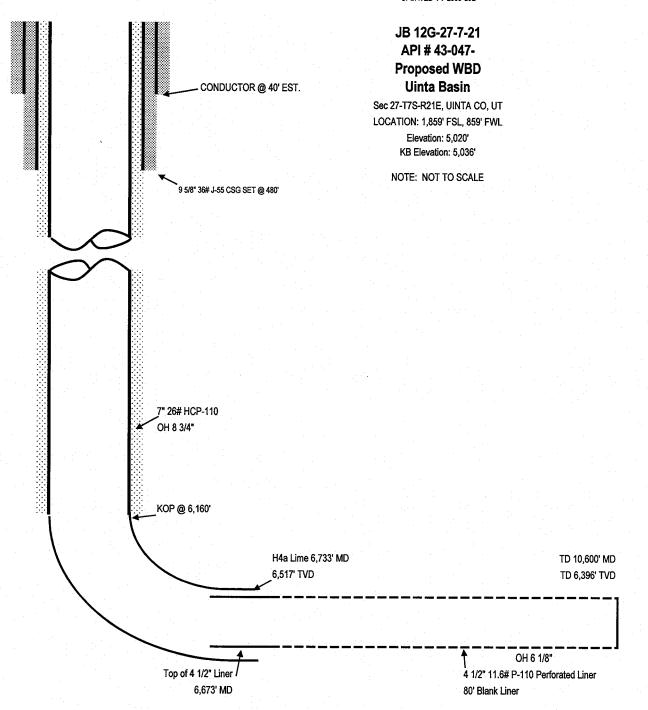
Borehole -> Survey

Original Hole -> JB 12G-27-7-21 Directional Plan CJL 4-7-20(



JB 12G-27-7-21				FIELD Uinta		Johnson Bottom		
Magnetic Parameters Model: IGRF 2005	Dip: 66,071* Mag Dec: +11,388*	Date: FS:	April 07, 2009 52665,0 nT	Surface Location Lat: N40 10 46 470 Lon: W109 32 52,700	NAD83 Urah State Planes, Central Zone, US Foot Northing: 7240086.66 ftUS Grid Conv: +1.25042721* Easting: 2185778.73 ftUS Scrale Fact: 0.9999168446	Miscellaneous  Slot: JB 12G-27-7-21 TVD Ref: KB (5036 00 ft above MSL)  Plan: JB 12G-27-7-21 Directional Plans/Judetr-Zadet 07, 2009		





# QUESTAR EXPLORATION & PRODUCTION, CO. JB 12G-27-7-21 1859' FSL 859' FWL NWSW, SECTION 27, T7S, R21E UINTAH COUNTY, UTAH LEASE # UTU-16551

#### **ONSHORE ORDER NO. 1**

#### **MULTI – POINT SURFACE USE & OPERATIONS PLAN**

An onsite inspection was conducted for the JB 12G-27-7-21 on March 18, 2009. Weather conditions were sunny and warm at the time of the onsite. In attendance at the inspection were the following individuals:

Holly Villa

**Bureau of Land Management** 

Amy Torres

**Bureau of Land Management** 

Jan Nelson Trever Anderson Questar Exploration & Production, Co.

rever Anderson

Uintah Engineering & Land Surveying

Chas Henline

**Uintah Engineering & Land Surveying** 

#### 1. Existing Roads:

The proposed well site is approximately 36 miles South of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing road.

#### 2. Planned Access Roads:

Please refer to Questar Exploration & Production Company Greater Deadmen Bench EIS UT-080-2003-0369V Record of Decision dated March 31, 2008.

Refer to Topo Map B for the location of the proposed access road.

#### 3. <u>Location of Existing Wells Within a 1 – Mile Radius:</u>

Please refer to Topo Map C.

#### **Location of Existing & Proposed Facilities:**

Please refer to Questar Exploration & Production Company Greater Deadmen Bench EIS UT-080-2003-0369V Record of Decision dated March 31, 2008.

Refer to Topo Map D for the location of the proposed pipeline.

Product will be tanked and hauled to delivery site.

A muffler will be placed on pumping unit to help reduce sound levels.

Surface gas pipelines will be constructed in accordance with the following guidance.

**GAS SALES LINE:** The pipeline will be unpainted steel, 4" inside diameter, welded, schedule # 20 or greater. Pipeline segments will be welded together on disturbed areas in or near the location, whenever possilbe, and dragged into place.

#### 5. Location and Type of Water Supply:

Please refer to Questar Exploration & Production Company Greater Deadmen Bench EIS UT-080-2003-0369V Record of Decision dated March 31, 2008.

Water for drilling purposes would be obtained from Wonsits Valley Water Right # A 36125 (which was filed on May 7, 1964) or Red Wash Water Right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System.

#### 6. Source of Construction Materials:

Please refer to Questar Exploration & Production Company Greater Deadmen Bench EIS UT-080-2003-0369V Record of Decision dated March 31, 2008.

#### 7. Methods of Handling Waste Materials:

Please refer to Questar Exploration & Production Company Greater Deadmen Bench EIS UT-080-2003-0369V Record of Decision dated March 31, 2008.

#### 8. Ancillary Facilities:

Please refer to Questar Exploration & Production Company Greater Deadmen Bench EIS UT-080-2003-0369V Record of Decision dated March 31, 2008.

Facilities will be painted Carlsbad Canyon

#### 9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

#### 10. Plans for Reclamation of the Surface:

#### Please refer to Questar Exploration & Production Company Uinta Basin Division Reclamation Plan

#### **Interim Reclamation**

Please refer to Questar Exploration & Production Company Uinta Basin Division Reclamation Plan and Figure # 3 in plat package.

#### Seed Mix:

Interim Reclamation:
6 lbs Hycrest Crested Wheatgrass
6 lbs Needle & Threadgrass

#### Final Reclamation:

Seed Mix # 6 3 lbs Wyoming Big Sage, 3 lbs Shadscale, 3 lbs Indian Rice Grass, 4 lbs Hycrest Crested Wheat

Qep will monitor and control noxious and invasive weeds along access roads, pipeline routes, well sites, or other applicable facilities by spraying or mechanical removal. On BLM-administered land, a Pesticide Use Proposal will be submitted and approved prior to the application of herbicides, pesticides or other hazardous chemicals.

#### 11. Surface Ownership:

Bureau of Land Management 170 South 500 East Vernal, Utah 84078 (435) 781-4400

#### 12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

A Class III paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted directly to the appropriate agencies by Stephen D. Sandau. The inspection resulted in the location of no fossil resources. However, if vertebrate fossil(s) are found during construction a paleontologist should be immediately notified. QEP will provide paleo monitor if needed.

Rock, gravel and culverts as needed.

#### Lessee's or Operator's Representative & Certification:

Jan Nelson
Permit Agent
Questar Exploration & Production Company
11002 East 17500 South
Vernal, UT 84078
(435) 781-4331

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Questar Exploration & Production Company is considered to be the operator of the subject well. Questar Exploration & Production Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104.2 for lease activities is being provided by Bond No. ESB000024.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operations; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Jan Nelson 9/15/2009

Date

# QUESTAR EXPLR. & PROD.

JB #12G-27-7-21

LOCATED IN UINTAH COUNTY, UTAH **SECTION 27, T7S, R21E, S.L.B.&M.** 

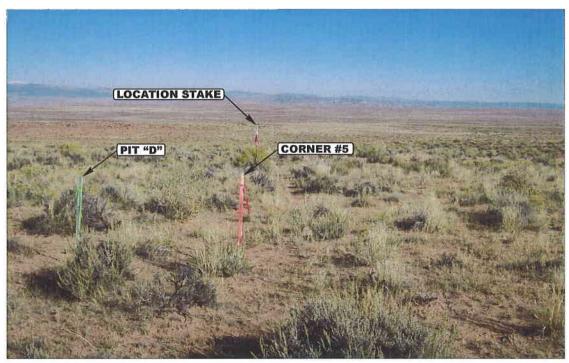


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

**CAMERA ANGLE: NORTHERLY** 



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

**CAMERA ANGLE: SOUTHWESTERLY** 



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 (435) 789-1017 \* FAX (435) 789-1813

LOCATION PHOTOS

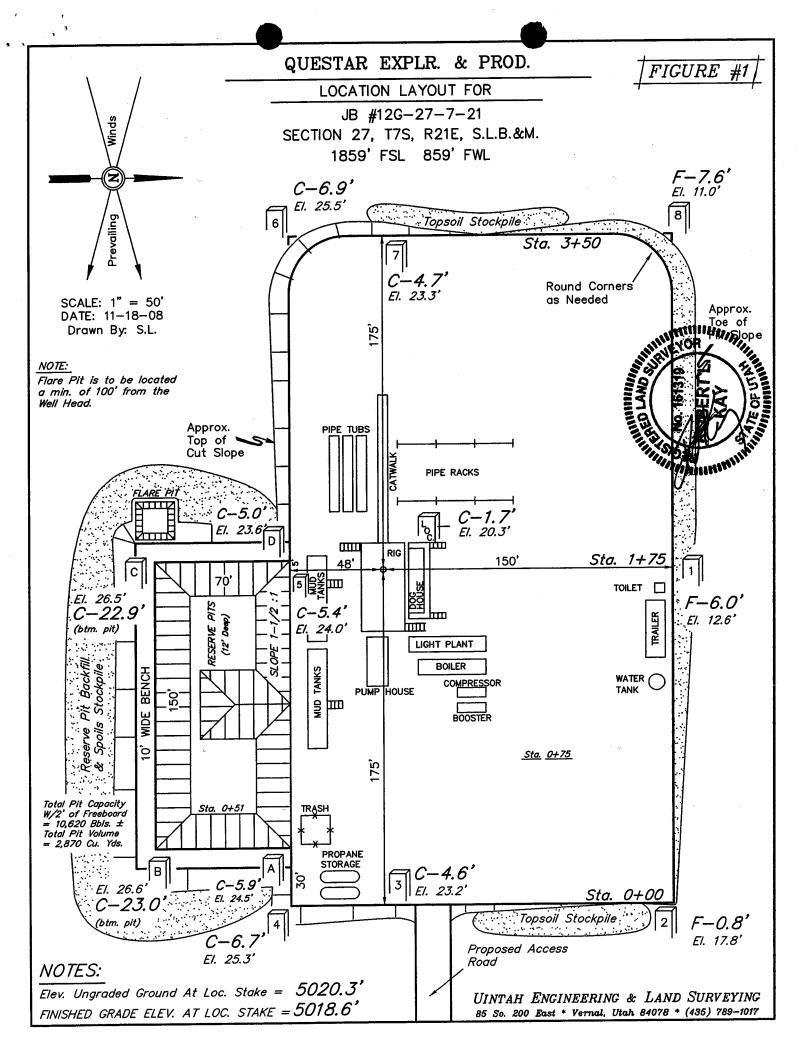
TAKEN BY: J.W. | DRAWN BY: Z.L. | REVISED: 00-00-00

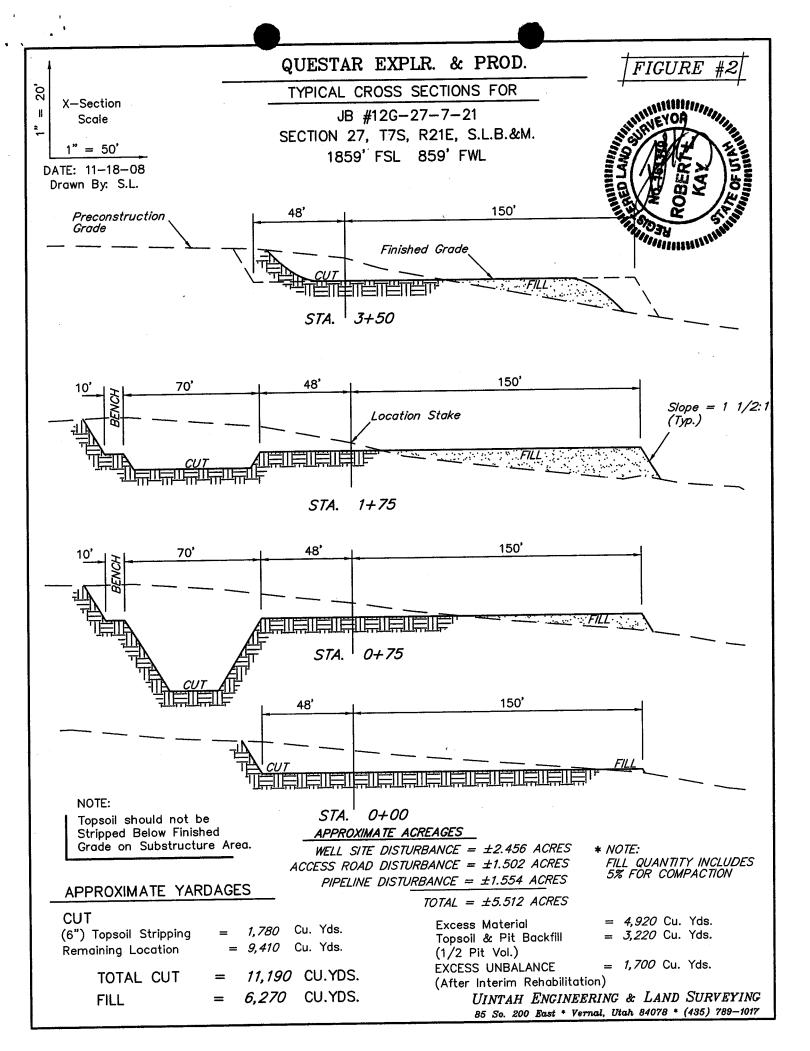
РНОТО

# QUESTAR EXPLR. & PROD. JB #12G-27-7-21 SECTION 27, T7S, R21E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 19.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 7.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST: TURN LEFT AND PROCEED IN AN WESTERLY DIRECTION APPROXIMATELY 4.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST: **PROCEED** INΑ NORTHWESTERLY APPROXIMATELY 0.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 35.8 MILES.





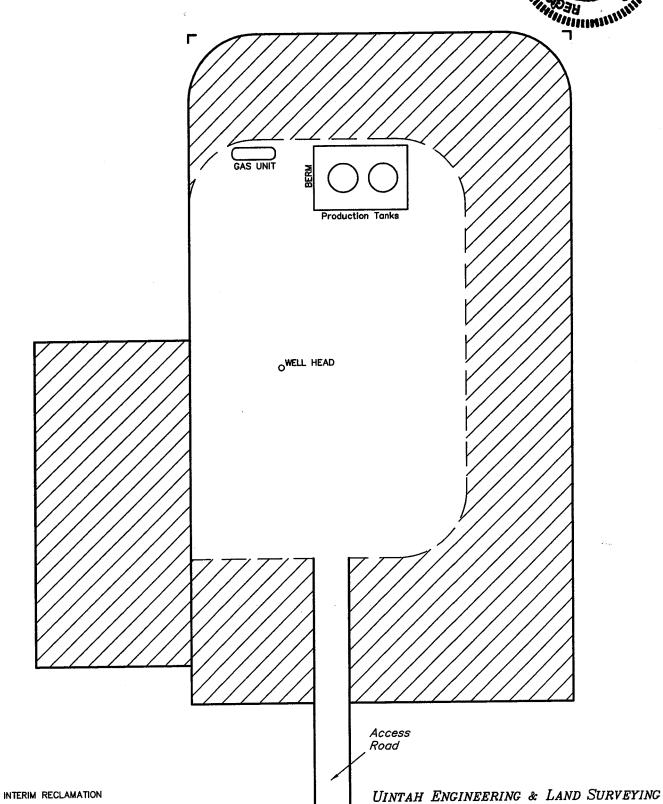
# QUESTAR EXPLR. & PROD.

#### INTERIM RECLAMATION PLAN FOR

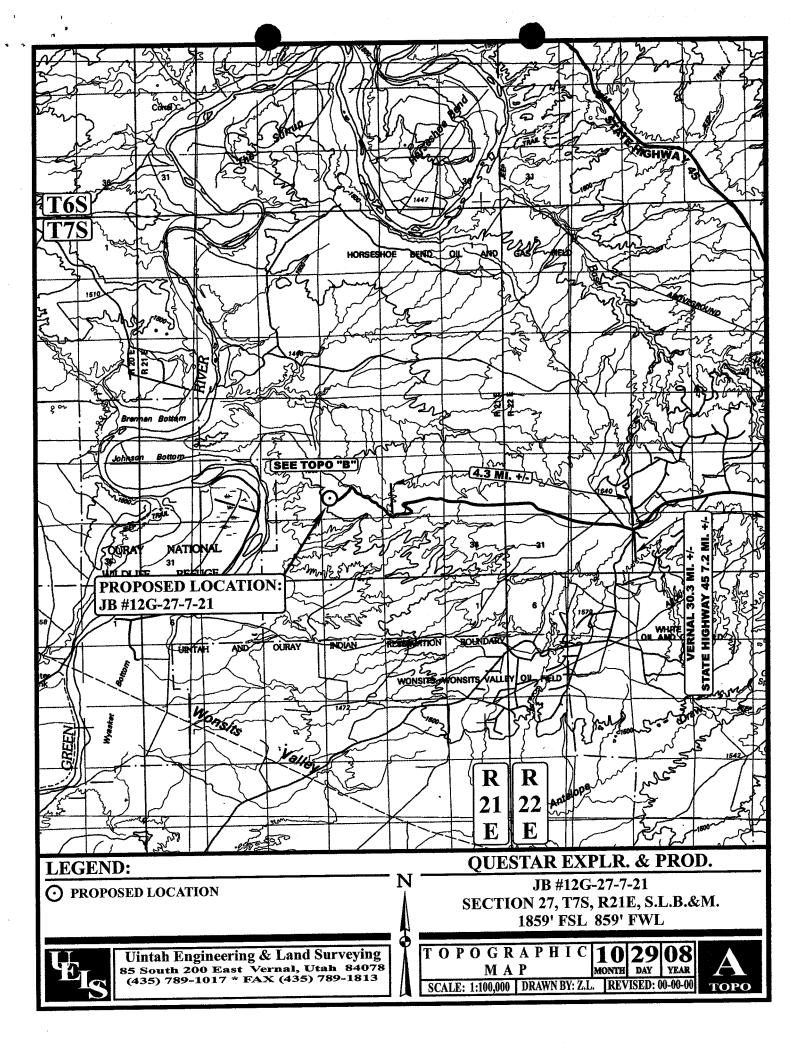
JB #12G-27-7-21 SECTION 27, T7S, R21E, S.L.B.&M. 1859' FSL 859' FWL

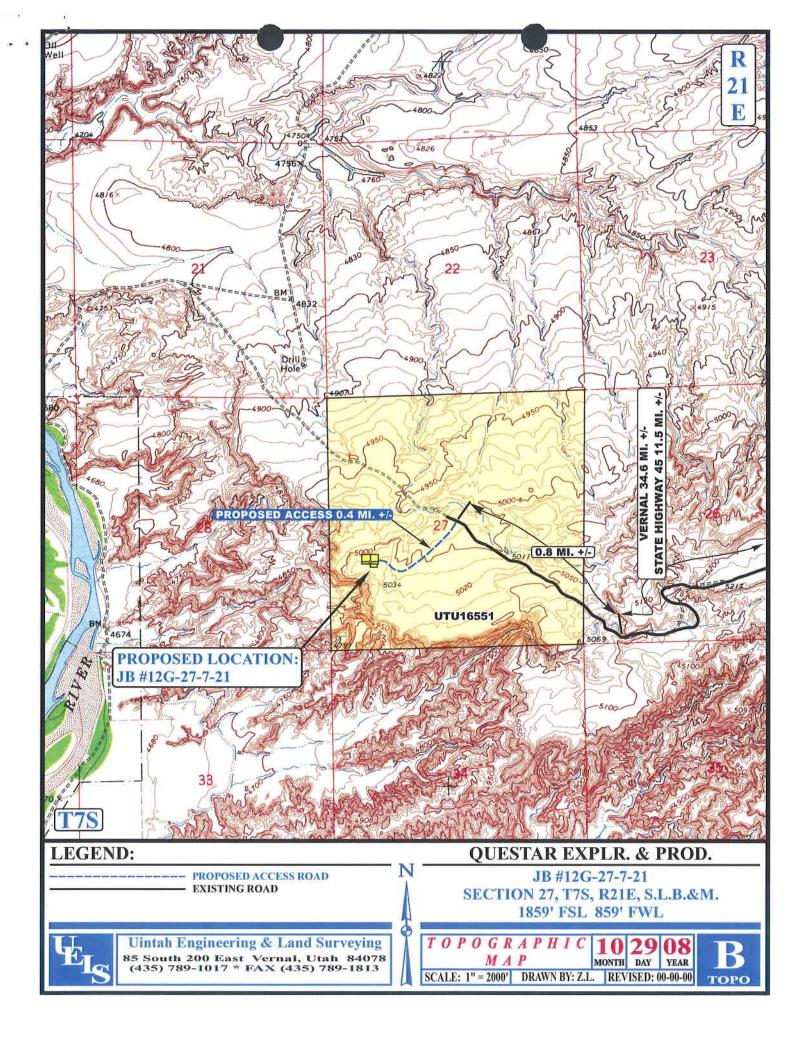


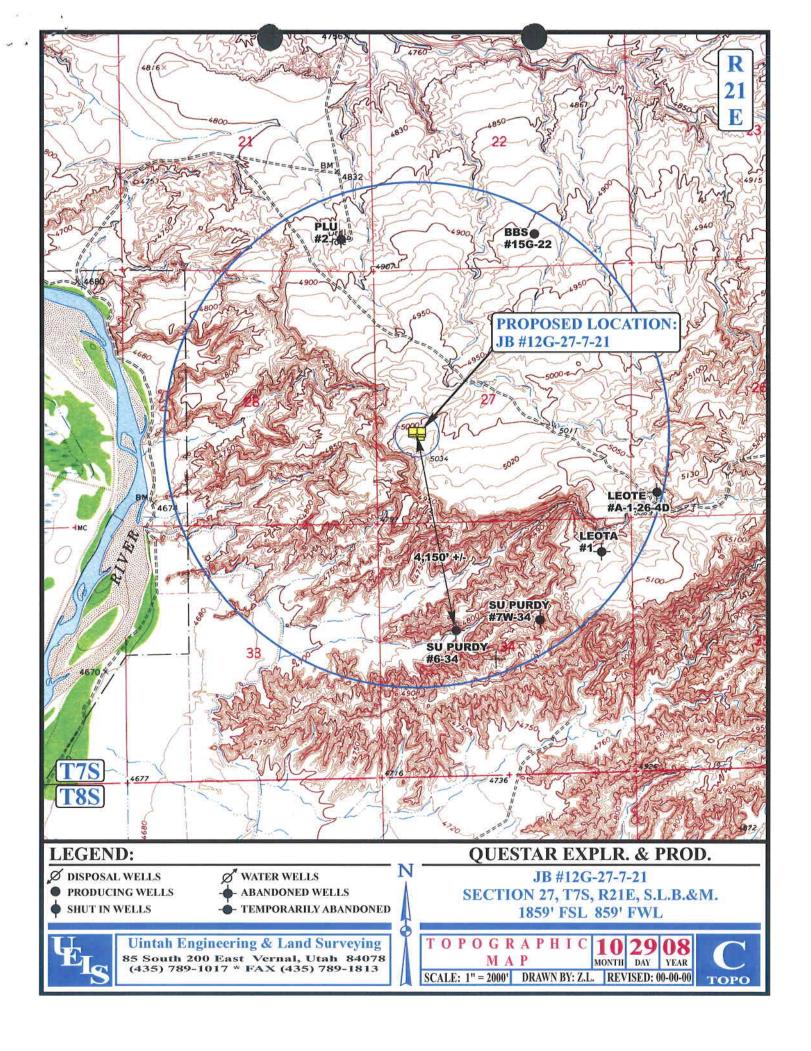
SCALE: 1" = 50' DATE: 11-18-08 Drawn By: S.L.

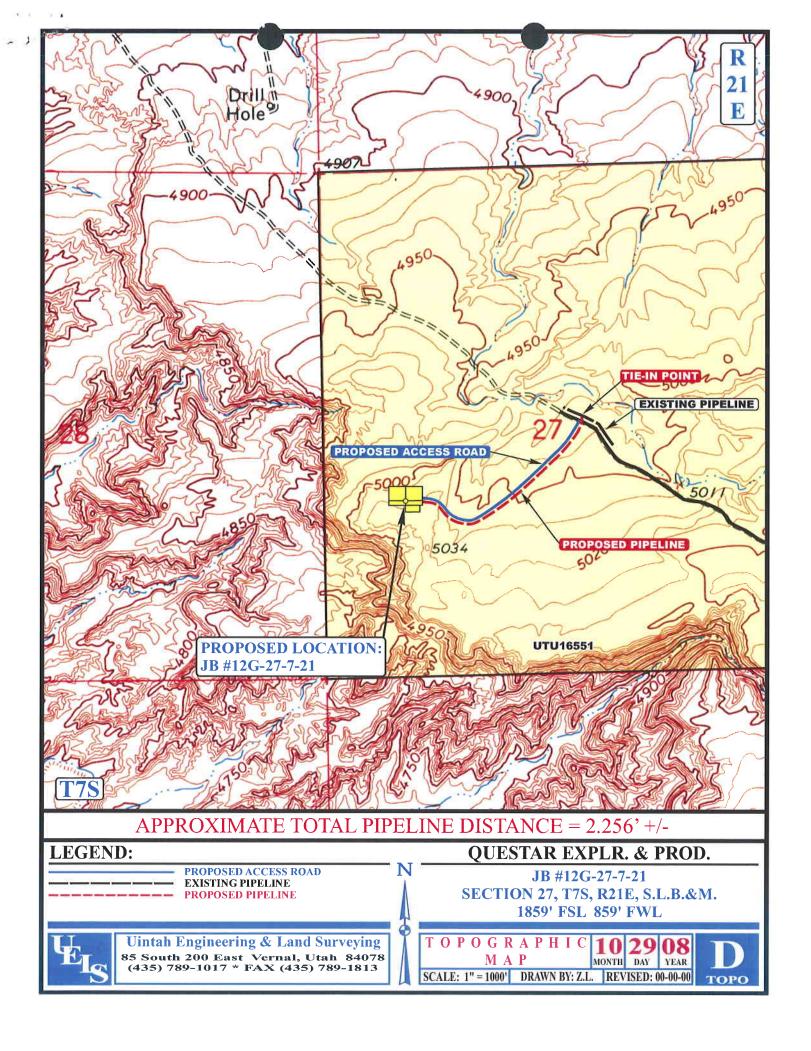


85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

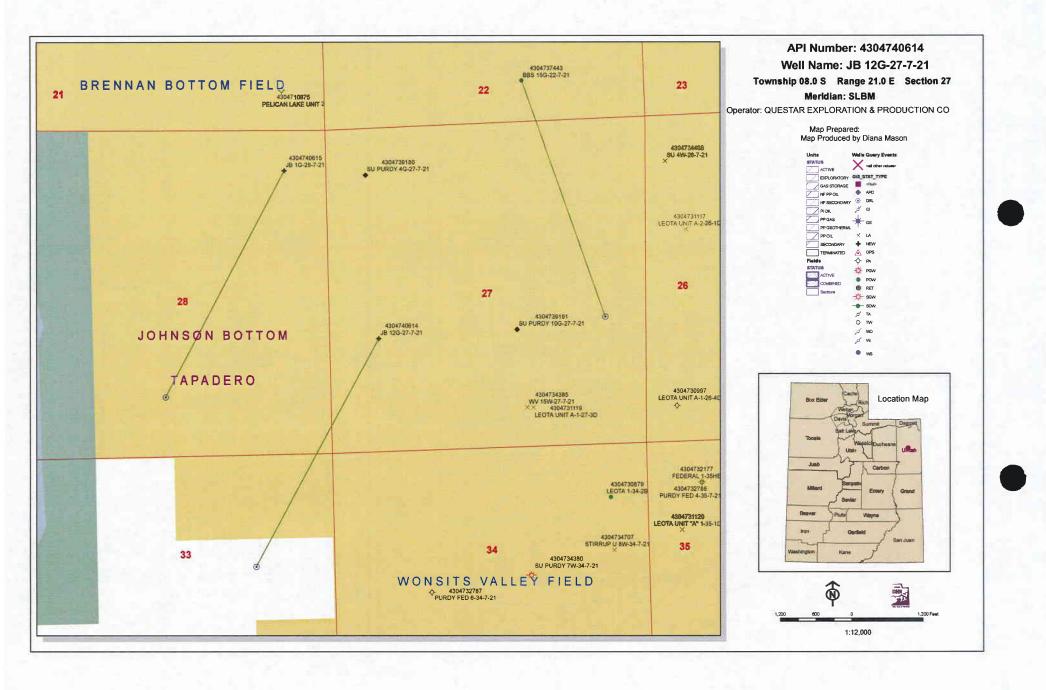








APD RECEIVED: 09/24/2009		API NO. ASSIG	GNED: 43-047	-40614
WELL NAME: JB 12G-27-7-21  OPERATOR: QUESTAR EXPLORATION & ( N5085 )		PHONE NUMBER:	435-781-4333	1
CONTACT: JAN NELSON				
PROPOSED LOCATION:		INSPECT LOCATI	1 BY: /	/
NWSW 27 070S 210E SURFACE: 1859 FSL 0859 FWL		Tech Review	Initials	Date
SORFACE: 1839 FSL 0839 FWL  1800 FNL 1300 FEL 775 Scc 33		Engineering		
COUNTY: UINTAH		Geology		
LATITUDE: 40.17967 LONGITUDE: -109.54732 UTM SURF EASTINGS: 623680 NORTHINGS: 44485	00	Surface		
LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-16551  SURFACE OWNER: 1 - Federal		PROPOSED FORMA		<b>V</b>
Plat  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. ESB000024 )  Potash (Y/N)  Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-2153 )  RDCC Review (Y/N)  (Date: )  Fee Surf Agreement (Y/N)  MM Intent to Commingle (Y/N)  COMMENTS:	R Unit: R R D	ON AND SITING:  .649-2-3.   JOHNSON BOTTOM  .649-3-2. Generation: .649-3-3. Exception: .649-3-11. Direction:	ral tr/Qtr & 920' B ption	
STIPULATIONS: 1- Lede 2- Spa	a Appr	a va	3	÷



## **United States Department of the Interior**

# BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

October 2, 2009

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2009 Plan of Development Johnson Bottom, Uintah County,

Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following horizontal wells are planned for calendar year 2009 within the Johnson Bottom Unit, Uintah County, Utah

API#

WELL NAME

LOCATION

(Proposed PZ Green River)

43-047-40613 JB 8G-21-7-21 Sec 21 T07S R21E 2199 FNL 0844 FEL LAT #1 Sec 22 T07S R21E 1980 FNL 1980 FEL LAT #2 Sec 21 T07S R21E 0660 FSL 0660 FWL

43-047-40614 JB 12G-27-7-21 Sec 27 T08S R21E 1859 FSL 0859 FWL Lateral Sec 33 T07S R21E 1800 FNL 1300 FEL

43-047-40615 JB 1G-28-7-21 Sec 28 T07S R21E 0663 FNL 0664 FEL Lateral Sec 28 T07S R21E 1000 FSL 2750 FEL

43-047-40616 JB 15G-34-7-21 Sec 34 T07S R21E 0834 FSL 2119 FEL LAT #1 Sec 33 T07S R21E 1600 FSL 1000 FEL LAT #2 Sec 35 T07S R21E 1100 FSL 0600 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc

File – Johnson Bottom Unit Division of Oil Gas and Mining Central Files

Agr. Sec. Chron Fluid Chron



# State of Utah

#### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 5, 2009

Questar Exploration & Production, Co. 11002 E 17800 S Vernal, UT 84078

Re:

JB 12G-27-7-21 Well, Surface Location 1859' FSL, 859' FWL, NW SW, Sec. 27,

T. 7 South, R. 21 East, Bottom Location 1800' FNL, 1300' FEL, SE NE, Sec. 33,

T. 7 South, R. 21 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40614.

Sincerely,

Gil Hunt

Associate Director

pab

Enclosures

cc:

**Uintah County Assessor** 

Bureau of Land Management, Vernal Office



Operator:	Questar Exploration & Production, Co.					
Well Name & Number	. JB 12G	-27-7-21				
API Number:	43-047-					
Lease:	UTU-10	6551				
Surface Location: NW SW Bottom Location: SE NE	Sec. 27 Sec. 33	<b>T.</b> 7 South 7 South	R. 21 East R. 21 East			

#### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 (801) 733-0983 home

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
- 6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Form 3160-3 (July 1992)

CONFIDENTIAL

SUBMIT IN TRIPLICATE\*

FORM APPROVED

OMB NO. 1040-0136 Expires: February 28, 1995

UTU-16551

**DEPARTMENT OF THE INTERIOR** 5. LEASE DESIGNATION AND SERIAL NO. **BUREAU OF LAND MANAGEMENT** 

**UNITED STATES** 

	6. IF INDIAN, ALLOTTEE OR TRIBE NAME				
APPLICATION FOR PERMIT	N/A				
TYPE OF WORK			7. UNIT AGREEMENT NAME		
DRILL 🗹		JOHNSON BOTTOM UNIT UTU-86617X			
TYPE OF WELL			8. FARM OR LEASE NAME	, WELL NO.	
	✓ MULTIPLE				
OIL WELL GAS WELL OTHER ZONE ZONE			JB 12G-27-7-21		
2. NAME OF OPERATOR	son	9.API NUMBER:			
QUESTAR EXPLORATION & PRODUCTION , CO. E-Mail:		an.nelson@questar.com	43 047 40614		
3. ADDRESS Telphone numbe			10. FIELD AND POOL, OR WILDCAT		
11002 E. 17500 SO. Vernal, Ut 84078 Phone 435-7		81-4331 Fax 435-781-4395	UNDESIGNATED		
4. LOCATION OF WELL, (Report location clearly and in a	11. SEC.,T, R, M, OR BLK & SURVEY OR AREA				
At Surface 1859' FSL 859' FWL N	8				
At proposed production zone 1800' FNL 1300' FEL SENE, SECTION 33, T7S, R21E			SEC. 27, T7S, R21E Mer SLB&M		
14. DISTANCE IN MILES FROM NEAREST TOWN OR PO		12. COUNTY OR PARISH	13. STATE		
36 + / - MILES SOUTH OF VERNAL, UTAH	····		Uintah	UT	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST		16.NO.OF ACRES IN LEASE	17. NO. OF ACRES ASSIG	NED TO THIS WELL	
PROPERTY OR LEASE LINE, FT. (also to nearest drig,unit line if any)			2000		
859' + / -		2320	40		
18.DISTANCE FROM PROPOSED location to nearest well	drilling	19. PROPOSED DEPTH	20. BLM/BIA Bond No. on t	File	
completed, applied for, on this lease, ft		6,396' TVD	ESB00024		
		10,600' MD			
21. ELEVATIONS (Show whether DF, RT, GR, ect.)	22. DATE WORK WILL START	23. Estimated duration			
5020.3' GR		3/1/2010	45 Days		
24. Attachments					
The following, completed in accordance with the requirm	ents of Onshore O	il and Gas Order No. 1, shall be at	ttached to this form:		
Well plat certified by a registered surveyor.		4. Bond to cover the operations unless covered by an exisiting bond on file (see			
2. A Drilling Plan		Item 20 above).			
3. A surface Use Plan ( if location is on National Forest System Lands,		5. Operator certification.			
the SUPO shall be filed with the appropriate Forest Service Office).		6. Such other site specific information and/or plans as may be required by the			
/ /		authorized officer.			
			-		
SIGNED AN MULTIN	Name (printed/type	ed) Jan Nelson	DATE 0	9-15-2009	
-6-1					
TITLE Permit Agent		CONDITIONS OF APP	ROVAL ATTACHED		
(This space for Federal or State office use)					
V					
ERMIT NO APPROVA		L DATE	VERNAL FIELD OF		
Application approval does not warrant or certify the applicant holds any legal or equitable title to	those rights in the subject lea	se which would entitle the applicant to conduct operation	ns thereon	Come I d'Interface las	
CONDITIONS OF APPROVAL, IF ANY:					
Q-, \( \lambda \) \( \lambda \)	1 17. AS	ssistant Field Manager		11/23/09	
APPROVED BY	tiπ∟ε <i>Ι Ι.Ν.Μ</i> and	ds & Mineral Pacourage	DATE	11/23//71	

\*See Instructions On Reverse Side

**RECEIVED** 

SEP 1 7 2009

AFMSS#098X80292A

**NOTICE OF APPROVAL** 

DEC 07 2009



#### UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT **VERNAL FIELD OFFICE**

**VERNAL, UT 84078** 

(435) 781-4400



#### CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

Questar Exploration & Production, Co Location:

Lease No:

NWSW, Sec. 27, T/S, R21E

Well No: JB 12G-27-7-21

UTU-16551

API No:

43-047-40614

Agreement:

N/A

**OFFICE NUMBER:** 

(435) 781-4400

OFFICE FAX NUMBER:

(435) 781-3420

#### A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit was processed using a 390 CX tied to NEPA approved 3/31/2008. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 3/31/2013 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

#### NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	_	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut vn opreport@blm.gov.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: JB 12G-27-7-21 10/28/2009

# SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO<sub>x</sub> per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO<sub>x</sub> per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop
  work and contact the Authorized Officer (AO). A determination will be made by the AO as to what
  mitigation may be necessary for the discovered paleontologic material before construction can
  continue.
- During operations, if any vertebrate paleontological resources are discovered, all operations
  affecting such sites shall be immediately suspended, and all discoveries shall be left intact until
  authorized to proceed by the Authorized Officer. The appropriate Authorized Officer of the Vernal
  BLM office shall be notified within 48 hrs of the discovery, and a decision as to the preferred
  alternative/course of action will be rendered.

Page 3 of 6 Well: JB 12G-27-7-21 10/28/2009

# DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

#### SITE SPECIFIC DOWNHOLE COAs:

- Intermediate casing lead cement shall be brought from 4000' to surface with Hi-Fill cement.
- Run Gamma Ray log to surface.

#### Variances Granted:

#### Air Drilling:

- Properly lubricated and maintained rotating head, variance granted to use a properly maintained and lubricated diverter head in place of a rotating head.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 50'-70' from the well bore.
- Automatic igniter. Variance granted for igniter due to water mist.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for air compressors to be located within 50 feet from the well bore and opposite from the blooie line.
- In lieu of mud products on location, Questar will have a 400 bbl. water tank containing water for kill fluid.
- Questar is granted permission to mount a deflector at the end of the blooie line.
- Flare pit so long as the pit liner is repaired immediately if damaged.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

#### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order

Page 4 of 6 Well: JB 12G-27-7-21 10/28/2009

No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is
  encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal
  Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
   Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the <u>top of cement</u> and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

Page 5 of 6 Well: JB 12G-27-7-21 10/28/2009

#### **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
  notified when it is placed in a producing status. Such notification will be by written communication
  and must be received in this office by not later than the fifth business day following the date on
  which the well is placed on production. The notification shall provide, as a minimum, the following
  informational items:
  - o Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1.
   Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Page 6 of 6 Well: JB 12G-27-7-21 10/28/2009

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office
  Petroleum Engineers will be provided with a date and time for the initial meter calibration and all
  future meter proving schedules. A copy of the meter calibration reports shall be submitted to the
  BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid
  hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall
  be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to
  the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first.
  All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All
  product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in
  accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
  lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a
  suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be
  obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior approval
  of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
  approval of the BLM Vernal Field Office shall be obtained and notification given before resumption
  of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

## Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET

(for state use only)

ROUTING CDW

Change of Operator (Well Sold)				Х-	Operator	Name Chan	ge		
The operator of the well(s) listed below has changed, effective:						6/14/2010	8-		
FROM: (Old Operator): N5085-Questar Exploration and Production Company 1050 17th St, Suite 500 Denver, CO 80265			TO: (New Operator): N3700-QEP Energy Company 1050 17th St, Suite 500 Denver, CO 80265						
Phone: 1 (303) 308-3048				Phone: 1 (303	) 308-3048				
WELL NAME			~ ====	Unit:			ON BOTTOM		
WELL NAME	SEC	TWN	RNG	API NO	ENTITY	LEASE TYPE		WELL	
SEE ATTACHED	1	T	Ι		NO		TYPE	STATUS	
OPERATOR CHANGES DOCUMENT Enter date after each listed item is completed 1. (R649-8-10) Sundry or legal documentation w			rom the	FORMER op	erator on:	6/28/2010			
2. (R649-8-10) Sundry or legal documentation w						6/28/2010	-		
<ul> <li>3. The new company was checked on the <b>Depart</b></li> <li>4a. Is the new operator registered in the State of State (R649-9-2) Waste Management Plan has been referred.</li> </ul>	<b>ment</b> Utah:	of Con	nmerce		Corporation		-	6/24/2010	
<ul> <li>5b. Inspections of LA PA state/fee well sites comp</li> <li>5c. Reports current for Production/Disposition &amp; S</li> <li>6. Federal and Indian Lease Wells: The BI</li> </ul>	lete o Sundri	n: es on:	e BIA h	n/a ok	– – – e merger na	ime change			
or operator change for all wells listed on Feder	al or l	Indian I	leases o	n:	BLM	8/16/2010	BIA	not yet	
7. Federal and Indian Units:				~~*	22.11	_ 0/10/2010		_ not yet	
The BLM or BIA has approved the successo	r of ur	nit oper	ator for	wells listed on	ı:	8/16/2010			
8. Federal and Indian Communization Ag	greem	ents (	("CA")	):			-		
The BLM or BIA has approved the operator						N/A			
9. Underground Injection Control ("UIC"	'') Di	vision	has ap	proved UIC F	Form 5 Trai	nsfer of Author	ity to		
Inject, for the enhanced/secondary recovery un	nit/pro	ject for	r the wa	iter disposal we	ell(s) listed o	n:	6/29/2010	<u>)</u>	
DATA ENTRY:									
<ol> <li>Changes entered in the Oil and Gas Database</li> <li>Changes have been entered on the Monthly O</li> </ol>		or Cha	nge Sp	6/30/2010 read Sheet on:	<b>-</b> :	6/30/2010			
3. Bond information entered in RBDMS on:				6/30/2010			_		
<ul><li>4. Fee/State wells attached to bond in RBDMS or</li><li>5. Injection Projects to new operator in RBDMS.</li></ul>				6/30/2010	_				
<ul><li>5. Injection Projects to new operator in RBDMS</li><li>6. Receipt of Acceptance of Drilling Procedures</li></ul>		ID/NIov	v on:	6/30/2010					
BOND VERIFICATION:	ioi Ar	DINEN	V OII.		n/a				
Federal well(s) covered by Bond Number:				ESD000024					
2. Indian well(s) covered by Bond Number:				ESB000024 965010693	_				
3a. (R649-3-1) The <b>NEW</b> operator of any state/fe	e wel	l(s) list	ed cove		umber	965010695			
3b. The FORMER operator has requested a releas					n/a		•		
LEASE INTEREST OWNER NOTIFIC						•			
4. (R649-2-10) The NEW operator of the fee wells	has b	een co	ntacted	and informed b	y a letter fro	om the Division			
of their responsibility to notify all interest owne	rs of t	his cha	nge on:		n/a				
COMMENTS:			-		-				

#### STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: See attached 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SUNDRY NOTICES AND REPORTS ON WELLS See attached Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 7. UNIT or CA AGREEMENT NAME: See attached 8. WELL NAME and NUMBER: OIL WELL GAS WELL OTHER See attached 2 NAME OF OPERATOR: 9. API NUMBER: N 5085 Questar Exploration and Production Company Attached 3. ADDRESS OF OPERATOR PHONE NUMBER: 10. FIELD AND POOL, OR WILDCAT: 1050 17th Street, Suite 500 Denver CO 712 80265 (303) 672-6900 See attached 4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached COUNTY: Attached QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE UTAH CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ACIDIZE DEEPEN REPERFORATE CURRENT FORMATION ✓ NOTICE OF INTENT ALTER CASING (Submit in Duplicate) FRACTURE TREAT SIDETRACK TO REPAIR WELL Approximate date work will start: CASING REPAIR **NEW CONSTRUCTION** TEMPORARILY ABANDON 6/14/2010 CHANGE TO PREVIOUS PLANS OPERATOR CHANGE TUBING REPAIR CHANGE TUBING PLUG AND ABANDON VENT OR FLARE SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK WATER DISPOSAL (Submit Original Form Only) CHANGE WELL STATUS PRODUCTION (START/RESUME) WATER SHUT-OFF Date of work completion: COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE **OTHER:** Operator Name CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION Change DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Effective June 14, 2010 Questar Exploration and Production Company changed its name to QEP Energy Company. This name change involves only an internal corporate name change and no third party change of operator is involved. The same employees will continue to be responsible for operations of the properties described on the attached list. All operations will continue to be covered by bond numbers: N3700 Federal Bond Number: 965002976 (BLM Reference No. ESB000024)

Utah State Bond Number:  $\frac{965003033}{965003033}$   $\rangle$   $\frac{965010695}{965003033}$ 

BIA Bond Number: 799446 9650/0693

The attached document is an all inclusive list of the wells operated by Questar Exploration and Production Company. As of June 14, 2010 QEP Energy Company assumes all rights, duties and obligations as operator of the properties as described on the list

NAME (PLEASE PRINT) Morgan Anderson

TITLE Regulatory Affairs Analyst

DATE 6/23/2010

(This space for State use only)

(5/2000)

RECEIVED

JUN 2 8 2010

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

APPROVED 6 1301 2009

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

# Questar Exploration Production Company (N5085) to QEP Energy Company (N3700) JOHNSON BOTTOM effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral	type	stat	C
						lease			
LEOTA 1-34-2B	34	070S	210E	4304730879	5420	Federal	OW	P	
WV 7W-36-7-21	36	070S	210E	4304734065	13334	State	D	PA	
WV 9W-36-7-21	36	070S	210E	4304734066	13331	State	D	PA	
WV 11W-36-7-21	36	070S	210E	4304734067	13678	State	GW	PA	
WV 5W-36-7-21	36	070S	210E	4304734099	13807	State	GW	OPS	C
WV 13W-36-7-21	36	070S	210E	4304734100	13678	State	GW	P	
SU PURDY 7W-34-7-21	34	070S	210E	4304734380	13679	Federal	GW	P	-
BBE 15G-16-7-21	16	070S	210E	4304735408	14070	State	OW	P	1
BBS 15G-22-7-21	22	070S	210E	4304737443	15688	Federal	OW	P	C
TU 3-35-7-21	35	070S	210E	4304738995	16512	Federal	GW	P	T
SU PURDY 3M-25-7-21	25	070S	210E	4304739179		Federal	OW	APD	C
JB 4G-27-7-21	27	070S	210E	4304739180	77270.00	Federal	OW	APD	C
SU PURDY 10G-27-7-21	27	070S	210E	4304739181		Federal	OW	APD	C
JB 8G-21-7-21	21	070S	210E	4304740613	17595	Federal	OW	DRL	C
JB 12G-27-7-21	27	070S	210E	4304740614		Federal	OW	APD	C
JB 1G-28-7-21	28	070S	210E	4304740615		Federal	OW	APD	C
JB 15G-34-7-21	34	070S	210E	4304740616		Federal	OW	APD	C

Bonds: BLM = ESB000024 BIA = 956010693 State = 965010695



# **United States Department of the Interior**



#### BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155 http://www.blm.gov/ut/st/en.html

IN REPLY REFER TO: 3100 (UT-922)

JUL 2 8 2010

Memorandum

To:

Vernal Field Office, Price Field Office, Moab Field Office Roja L Bankut

From:

Chief, Branch of Minerals

Subject:

Name Change Recognized

Attached is a copy of the Certificate of Name Change issued by the Texas Secretary of State and a decision letter recognizing the name change from the Eastern States Office. We have updated our records to reflect the name change in the attached list of leases.

The name change from Questar Exploration and Production Company into QEP Energy Company is effective June 8, 2010.

cc:

MMS **UDOGM** 

> RECEIVED AUG 1 6 20:0

DIV. OF OIL, GAS a mine....

	STATE OF UTAH		FORM 9			
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINI		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-16551			
SUNDF	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
	sals to drill new wells, significantly deepen e ggged wells, or to drill horizontal laterals. Use		7.UNIT or CA AGREEMENT NAME: JOHNSON BOTTOM			
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: JB 12G-27-7-21					
2. NAME OF OPERATOR: QEP ENERGY COMPANY			<b>9. API NUMBER:</b> 43047406140000			
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vei		NUMBER: 68 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1859 FSL 0859 FWL			COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSHI	IP, RANGE, MERIDIAN: 7 Township: 07.0S Range: 21.0E Meridian: S		STATE: UTAH			
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
_	☐ ACIDIZE [	ALTER CASING	CASING REPAIR			
NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME			
11/5/2011	☐ CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE			
SUBSEQUENT REPORT	☐ DEEPEN [	FRACTURE TREAT	☐ NEW CONSTRUCTION			
Date of Work Completion:	☐ OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK			
	☐ PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION			
SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON			
	☐ TUBING REPAIR	VENT OR FLARE	☐ WATER DISPOSAL			
DRILLING REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION			
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.  Approved by the Utah Division of Oil, Gas and Mining  Date: November 04, 2010  By:						
NAME (PLEASE PRINT) Jan Nelson	PHONE NUMBER 435 781-4331	TITLE Permit Agent				
SIGNATURE		DATE 11/3/2010				



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047406140000

**API:** 43047406140000 **Well Name:** JB 12G-27-7-21

Location: 1859 FSL 0859 FWL QTR NWSW SEC 27 TWNP 070S RNG 210E MER S

Company Permit Issued to: QEP ENERGY COMPANY

**Date Original Permit Issued:** 11/5/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

require revi	sion. Following is a check	list of some items rela	ited to the applic	cation, which should be verified.
	ated on private land, has ted?  Yes  No	the ownership change	d, if so, has the	surface agreement been
	any wells been drilled in t requirements for this loc		oosed well which lo	n would affect the spacing or
	nere been any unit or others proposed well?		place that could	affect the permitting or operation
	there been any changes to the proposed location?		luding ownershi	p, or rightof- way, which could
• Has th	ne approved source of wa	ter for drilling change	d? 🔵 Yes 📵	No
	there been any physical c je in plans from what was			ess route which will require a No
• Is bor	nding still in place, which	covers this proposed	well? 🌘 Yes (	Approved by the No Utah Division of Oil, Gas and Mining
Signature:	Jan Nelson Dat	e: 11/3/2010		
Title:	Permit Agent Representin	g: QEP ENERGY COMPA	NY	<b>Date:</b> November 04, 2010
				- R 00-cul 110

Sundry Number: 20014 API Well Number: 43047406140000

	STATE OF UTAH	-0	FORM 9			
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MIN		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-16551			
SUNDR	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
	sals to drill new wells, significantly deepen gged wells, or to drill horizontal laterals. L		7.UNIT OF CA AGREEMENT NAME: JOHNSON BOTTOM			
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: JB 12G-27-7-21			
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047406140000			
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Ver		NE NUMBER: 8068 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1859 FSL 0859 FWL QTR/QTR, SECTION, TOWNSHI	D DANCE MEDIDIAN.		COUNTY: UINTAH			
	7 Township: 07.0S Range: 21.0E Meridian:	S	STATE: UTAH			
11. CHE	CK APPROPRIATE BOXES TO INDICAT	E NATURE OF NOTICE, REPORT	, OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION				
,	ACIDIZE	ALTER CASING	CASING REPAIR			
NOTICE OF INTENT Approximate date work will start:  11/5/2012	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	CHANGE WELL NAME			
SUBSEQUENT REPORT	☐ CHANGE WELL STATUS ☐ DEEPEN	☐ COMMINGLE PRODUCING FORMATIONS ☐ FRACTURE TREAT	☐ CONVERT WELL TYPE ☐ NEW CONSTRUCTION			
Date of Work Completion:	OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK			
_	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION			
SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON			
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL			
☐ DRILLING REPORT	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION			
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE  APD ON THE ABOVE CAPTIONED WELL.  Approved by the  Utah Division of  Oil, Gas and Mining  Date:  11/07/2011  By:						
NAME (PLEASE PRINT) Valyn Davis	<b>PHONE NUMBER</b> 435 781-4369	TITLE Regulatory Affairs Analyst				
SIGNATURE N/A	.55 .52 .555	DATE 11/3/2011				

Sundry Number: 20014 API Well Number: 43047406140000



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047406140000

**API:** 43047406140000 **Well Name:** JB 12G-27-7-21

Location: 1859 FSL 0859 FWL QTR NWSW SEC 27 TWNP 070S RNG 210E MER S

Company Permit Issued to: QEP ENERGY COMPANY

**Date Original Permit Issued:** 11/5/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

<ul> <li>If located on private land, has the ownership changed, if so, has the surface agreement been updated?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?</li> <li>Yes</li> <li>No</li> </ul>
<ul> <li>Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?</li> <li>Yes</li> <li>No</li> </ul>
• Has the approved source of water for drilling changed? 🔵 Yes 🌘 No
<ul> <li>Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul>
• Is bonding still in place, which covers this proposed well?   Yes   No

**Signature:** Valyn Davis **Date:** 11/3/2011

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

Form 3160-5 (August 2007)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

**PECEIVE** 

FORM APPROVED

OMB NO. 1004-0135 Expires: July 31, 2010

# **SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals

5. Lease Serial No. UTU16551 6. If Indian, Allottee or Tribe Name

				was i W I			
SUBMIT IN TRI	PLICATE - Other instruc	tions on re	verse side.		7. If Unit or CA/Agree UTU86617X	ement, Name and/or No	
1. Type of Well					8. Well Name and No.		
☑ Oil Well ☐ Gas Well ☐ Ot	her				JB 12G-27-7-21		
2. Name of Operator QEP ENERGY COMPANY	Contact: E-Mail: Valyn.Davi	VALYN DAV		9. API Well No. 43-047-40614-00-X1			
	C-Iviali. Valyii.Davi			da)	10. Field and Pool, or Exploratory		
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		Ph: 435-78		ue)	UNDESIGNATE	D Exploratory	
4. Location of Well (Footage, Sec., 7	T., R., M., or Survey Description	1)	<del></del>		11. County or Parish, a	and State	
Sec 27 T7S R21E NWSW 18	59FSL 859FWL				UINTAH COUNT	ry, ut	
12. CHECK APPI	ROPRIATE BOX(ES) TO	) INDICATE	E NATURE OF	NOTI	 CE, REPORT, OR OTHER	R DATA	
TYPE OF SUBMISSION				OF ACT			
	Acidize	□ Dee	pen	I	Production (Start/Resume)	Water Shut-Off	
Notice of Intent	Alter Casing	_	cture Treat		Reclamation	Well Integrity	
☐ Subsequent Report	Casing Repair	_	v Construction	_	Recomplete	Other	
Final Abandonment Notice	Change Plans		g and Abandon		Cemporarily Abandon	Change to Origina PD	
]	Convert to Injection	n Plu	g Back	\ _ '	Water Disposal	1 D	
QEP ENERGY COMPANY HE	•	O YEAR EX	TENSION FOR	K IHE A		· ·	
BLM APPROVAL DATE: 11/2:	3/2009				VERNAL FIELD OFFIC	en.	
					DI II salah	bea (	
		F	RECEIVE	ED	ENG. KAT JAHLEN		
			IAM 1 0 20	42	GEOL.		
CONDITIONS OF A	PPROVAL ATTACHED		JAN 18 20	IZ	<b>E.S.</b>	all and the second seco	
ONIADITIONS OL W	FERUVAL AI IAU <b>TEU</b>	DIV. C	FOIL, GAS & N	MAUNIC			
				111 821 ACL	PET.		
					RECL		
4. Thereby certify that the foregoing is	true and correct. Electronic Submission #1	23547 verifie	d by the BLM W	ell Infor	mation System		
Comm	For QEP EN nitted to AFMSS for proces	IERGY COMP	ANY, sent to the	ne Verna	nl -		
Name (Printed/Typed) VALYN DA		ising by ICOD			RY AFFAIRS ANALYST		
Traine (1 traine to 1) Traine to 1							
Signature (Electronic S	ubmission)		Date 11/17/	2011			
	THIS SPACE FO	R FEDERA	L OR STATE	OFFI	CE USE		
approved By January					ield Manager eral Resources	DES. 20 201	
nditions of approval, it any are attached	l. Approval of this notice does	not warrant or		•			
tify that the applicant holds legal or equich would entitle the applicant to condu	trable title to those rights in the ct operations thereon.	subject lease	Office	VE	RNAL FIELD OFFICE		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



# **CONDITIONS OF APPROVAL**

# **QEP ENERGY COMPANY**

### Notice of Intent APD Extension

Lease:

UTU-16551

Well:

JB 12G-27-7-21

Location:

NWSW Sec 27-T7S-R21E

An extension for the referenced APD is granted only to 03/31/2013 and not to 11/23/2013 as requested with the following conditions:

- 1. The extension and APD shall expire on 3-31-2013.
- 2. No other extension shall be granted.

The well specific NEPA was a Categorical Exclusion reference Section 390 of the Energy Policy Act of 2005 with a five year spud date condition based upon the signature date of the EIS which was on 03/31/2008.

If you have any other questions concerning this matter, please contact Robin L Hansen of this office at (435) 781-2777

Sundry Number: 31541 API Well Number: 43047406140000

	STATE OF UTAH		FORM 9		
ı	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-16551		
SUNDR	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
Do not use this form for procurrent bottom-hole depth, FOR PERMIT TO DRILL form	7.UNIT or CA AGREEMENT NAME: JOHNSON BOTTOM				
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: JB 12G-27-7-21		
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047406140000		
3. ADDRESS OF OPERATOR: 11002 East 17500 South,		HONE NUMBER: 08-3068 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1859 FSL 0859 FWL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 27 Township: 07.0S Range: 21.0E Meridia	n: S	STATE: UTAH		
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOR	RT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
7	ACIDIZE	ALTER CASING	CASING REPAIR		
NOTICE OF INTENT Approximate date work will start: 11/5/2013	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE		
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION		
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK		
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL		
DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION		
Report Date:	WILDCAT WELL DETERMINATION	OTHER	OTHER:		
QEP ENERGY COMPA	COMPLETED OPERATIONS. Clearly show all I ANY HEREBY REQUESTS A ONE APD ON THE ABOVE CAPTIONE	YEAR EXTENSION FOR	Approved by the Utah Division of Oil, Gas and Mining		
			Date: November 13, 2012		
			By: Bacylll		
NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBER 435 781-4369	TITLE Regulatory Affairs Analyst			
SIGNATURE		DATE			
N/A		11/5/2012			

Sundry Number: 31541 API Well Number: 43047406140000



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047406140000

API: 43047406140000 Well Name: JB 12G-27-7-21

Location: 1859 FSL 0859 FWL QTR NWSW SEC 27 TWNP 070S RNG 210E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 11/5/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Q Yes  No
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?      Yes      No
<ul> <li>Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?</li> <li>Yes</li> <li>No</li> </ul>
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ( Yes ( No
• Has the approved source of water for drilling changed? 🔘 Yes 📵 No
• Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?   Yes  No
• Is bonding still in place, which covers this proposed well? 📵 Yes 🔘 No
nature: Valyn Davis Date: 11/5/2012

Sig

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

Sundry Number: 44547 API Well Number: 43047406140000

	STATE OF UTAH		FORM 9		
	DEPARTMENT OF NATURAL RESOURCE DIVISION OF OIL, GAS, AND MINI		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-16551		
SUNDR	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
	oposals to drill new wells, significantly d reenter plugged wells, or to drill horizon n for such proposals.		7.UNIT or CA AGREEMENT NAME: JOHNSON BOTTOM		
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: JB 12G-27-7-21		
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047406140000		
3. ADDRESS OF OPERATOR: 11002 East 17500 South,		PHONE NUMBER: 308-3068 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED		
4. LOCATION OF WELL FOOTAGES AT SURFACE:			COUNTY: UINTAH		
1859 FSL 0859 FWL QTR/QTR, SECTION, TOWNSH Qtr/Qtr: NWSW Section:	<b>HIP, RANGE, MERIDIAN:</b> 27 Township: 07.0S Range: 21.0E Merid	ian: S	STATE: UTAH		
11. CHEC	K APPROPRIATE BOXES TO INDICATE	E NATURE OF NOTICE, REPOR	RT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
7	ACIDIZE [	ALTER CASING	CASING REPAIR		
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
11/5/2014	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE		
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN [	FRACTURE TREAT	☐ NEW CONSTRUCTION		
Date of Work Completion.	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK		
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL		
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION		
Report Date:	WILDCAT WELL DETERMINATION	OTHER	OTHER:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR  THE APD ON THE ABOVE CAPTIONED WELL.  QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR  THE APD ON THE ABOVE CAPTIONED WELL.  QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR  Clark Division of  Oil, Gas and Mining  Date: November 07, 2013  By:					
NAME (PLEASE PRINT) Valyn Davis	PHONE NUMBE 435 781-4369	R TITLE Regulatory Affairs Analyst			
SIGNATURE N/A		DATE 11/6/2013			

Sundry Number: 44547 API Well Number: 43047406140000



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047406140000

API: 43047406140000 Well Name: JB 12G-27-7-21

Location: 1859 FSL 0859 FWL QTR NWSW SEC 27 TWNP 070S RNG 210E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 11/5/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No	
<ul> <li>Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?</li> <li>Yes</li> <li>No</li> </ul>	
<ul> <li>Has there been any unit or other agreements put in place that could affect the permitting or operation of the proposed well?</li> <li>Yes</li> <li>No</li> </ul>	is
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes 📵 No	he
• Has the approved source of water for drilling changed?   Yes   No	
<ul> <li>Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul>	
• Is bonding still in place, which covers this proposed well?   Yes   No	
nature: Valvn Davis Date: 11/6/2013	

Sig

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY



# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 14, 2014

Valyn Davis QEP Energy Company 11002 East 17500 South Vernal, UT 84078 43 047 40614 JB 12G-27-7-21 27 78 21E

Re:

APDs Rescinded for QEP Energy Company, Uintah County

Dear Ms. Davis:

Enclosed find the list of APDs that you asked to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective October 6, 2014.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

**Environmental Scientist** 

cc:

Well File

Bureau of Land Management, Vernal



43-047-39673- RWS 5D-5-9-24

43-047-39674- RWS 1D-6-9-24

43-047-39675- NBZ 3D-31-8-24

43-047-40399- Melange U 1

→ 43-047-40614- JB 12G-27-7-21

43-047-40616- JB 15G-34-7-21

43-047-15295- RW 43-24B

43-047-30341- RW 14-25B